

controlled by the Department of Defense.

There is no difference in substance and there is no difference in principle between this amendment and the one the Senate rejected.

I think it is somewhat regrettable, but not surprising, that the attempt it made to cast this discussion in terms of the defense of the free world and the contest going on for underdeveloped countries of the world. Almost every time we bring up a proposal to put some limitation on the Pentagon, not necessarily in terms of amounts, but in terms of procedures—or when the Committee on Foreign Relations suggested that the CIA, as an arm of the executive branch of the Government, or as an arm of the State Department, be placed under some kind of congressional control—the issue is raised that somehow that proposal, if it were acted on, would undermine the security of the Nation.

Here again a proposal on the part of the Committee on Foreign Relations to set some limit on procedure by which arms sales are financed is made the subject of the argument that this is somehow endangering the security of the Nation. Mr. President, if the security of the world depends on what we do on this amendment we should have a hard look at what the Subcommittee on Preparedness has been telling us, and we should take a hard look at what the Department of Defense has been doing with approximately \$60 to \$70 billion a year we are appropriating for that Department for expenditure in defense of the United States and the free world.

All we are trying to do is define a procedure to direct the Department of Defense, because it has been acting—while not illegally or outside the law—between the law and the regulations we have laid down. This is understandable when we appropriate money for them to spend amounting to \$60 to \$70 billion.

A department as large as the Department of Defense must develop a state of mind similar to the situation reported to exist in the great dirigible hangar in New Jersey. That hangar was so big that it had its own weather inside. There might be sunshine on the outside, but rain inside; there might have been calm inside, but a tornado outside; there might be storms inside and calm outside. They were never aware of the weather outside because the hangar was so big. They were never aware of the realities. This seems to be what is happening in the Department of Defense.

In the discussion earlier it was observed that the Department of Defense has developed its own educational system. The Department operates one of the largest educational systems in the world. The Department has developed its own public relations program, its own propaganda program, and its own diplomatic corps. It runs the largest retail distribution operation in the world in the PX.

It seems that as this kind of momentum is developed, and there is not a major war, nearly everyone in the Department of Defense has a desire to be what he would have been if he were not

there. The process is developing a kind of Plato's Republic inside the Department of Defense in which everyone is trained for particular functions in society.

It appears that the one thing missing to satisfy their needs was a banking system. Someone said, "We have fellows here interested in banking and credit. To keep them happy let us get a little revolving fund and let them work with credit. This will satisfy them and, to a certain extent, it can make a contribution to what we are doing in the Department."

I think the situation has gotten out of hand and has become a force operating on its own momentum. All the Committee on Foreign Relations is attempting to do is to bring them back into channels and into some kind of perspective so we can look at the operation more carefully. I do not think what we are doing is going to stop them. I think they are resourceful enough over there so that if they need to provide arms some place around the world they will be able to do it.

I note, in addition to this credit facility, the report on page 12 indicates that there are also a number of sources.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCARTHY. Mr. President, I ask unanimous consent that I may proceed for 3 additional minutes.

The PRESIDING OFFICER. Who yields time?

Mr. FULBRIGHT. I yield 3 minutes.

Mr. McCARTHY. Mr. President, page 12 of the report states:

There are also a number of sources under the Foreign Assistance Act which will still be available. Authority remains to sell from Department of Defense stocks with up to three years credit.

Mr. President, they can sell anything on the rack. They can sell to anybody in the world on 3 years' credit. They do not have to use the revolving fund or any money that is around. They have their own stock: just take it off the rack; tanks, guns, ammunition, bombs, all available on 3 years' credit. Who do we want to sell it to? We have country x. We will sell it to country x on 3 years' credit. Take it away. Three years later they foreclose. They can go out and repossess and sell to them again because it is now back in stock.

Another provision provides for the reallocation of \$250 million if the country is in danger of Communist aggression or subversion. This would provide an additional \$250 million to use.

Mr. President, all that we are really asking in the Committee on Foreign Relations is that the Senate give us support in trying to clarify and purify the procedures under the Constitution. It is appearance that we are asking for so that it will appear that the Senate is being given a share in making decisions on current policy. We want the procedures to look right. We do not have those procedures now. At present it is made to appear that the Pentagon makes the decision and that they are so wise and all-knowing that we should not question the procedure.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. SYMINGTON. I am glad that the able Senator from Minnesota has brought up the point he just mentioned. Some people have felt that the major direction and thrust today in this direction has to do with the question of the power of the State Department, the Department of Defense, and the President to give or lend arms to other countries. It has nothing to do with that principle fundamentally.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that I may proceed for 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, it is an effort on the part of the Committee on Foreign Relations to see that Congress is properly informed when these transactions take place. Again, I refer to the fact that in testimony before our subcommittee, as the Senator from Minnesota will remember, the representative of the Department of Defense admitted that a transaction to sell highly sophisticated aircraft to a country in the Middle East—in fact, the most highly sophisticated aircraft we have—would not have been become known by Congress for at least 6 to 8 months after the transaction.

Mr. President, I do not think that we fulfill our obligations under the concept of our constitutional responsibilities if we continue to pass laws which make possible the continuation of that type of operation. That is the point at issue in this amendment.

Mr. McCARTHY. I thank the Senator for his contribution. I think our minimum responsibility is to know what is going on and the Senate should be told what is going on even though we cannot exercise real control over the process.

Mr. TOWER. Mr. President, has all the time expired under the control of the Senator from Arkansas?

The PRESIDING OFFICER. One minute remains.

Mr. TOWER. I would be prepared to yield some of my time to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, do I have any time left?

The PRESIDING OFFICER. One minute.

Mr. FULBRIGHT. Well, Mr. President, there is not much further to be said. I have a statement here from one of the outstanding leaders of Latin America concerning the arms race problem on that continent.

Two sentences summarize the issue. This is from a recent article written by President Frei of Chile:

The armaments race encourages mistrust and nationalism and these in turn are among the chief enemies of Latin American integration. It also diverts important resources which should be realized to satisfy the urgent need for economic and social development.

We have received many other statements indicating that the poor, underdeveloped countries have no business buying sophisticated weaponry on credit, such as through the financing procedure dealt with by this amendment.